GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1938
ANSWERED ON:29.11.2002
GROWTH RATE OF INFRASTRUCTURE INDUSTRIES
RAMSHETH THAKUR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether six key infrastructure industries posted a robust 6% growth in the first half of the current fiscal compare to a 1.5% growth in the same period of last year ;

(b) If so, the industry-wise details thereof;

(c) whether despite this growth, there was a slow down evident in September , 2002;

(d) if so, the reasons therefor and the industries which have shown slow growth; and

(e) the steps proposed to increase the growth rate of those industries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) : Yes, Sir.

(b) : The industry-wise details of growth rates (%) registered during first half of the current fiscal are given below:

	April-September 2001-02	2002-03
Crude Petroleum	-2.9	5.2
Petroleum Refinery Products	4.2	5.6
Coal	2.1	5.9
Electricity	3.2	3.4
Cement	3.4	9.8
Finished Steel	-0.9	9.3
Overall	1.5	6.0

(c): The growth rate of six infrastructure industries has shown a rising trend since beginning of the current fiscal (2002-03) year with the exception of September 2002, when a growth rate of 1.7% was registered. The six infrastructure industries, however, registered a growth of 6.1% during October 2002, for which latest data is available.

(d): The reasons for slowdown evident in September 2002 are industry specific. Power failure and shutdown in some refineries, less contribution from oil wells and environmental problems have affected crude oil production while, grid failure in the southern region affected the electricity sector. Crude petroleum, coal and electricity sectors registered low growth rates during September 2002.

(e): The government has taken following initiatives to improve performance of the infrastructure industries:

Â§ Tax holiday for infrastructure development has been announced in the Union Budget 2002-03.

Â§ Launch of PMs mega Road projects, which will boost demand for cement, steel and coal.

Â§ Government is taking steps to increase the domestic production of crude oil by offering blocks under the new exploration licensing policy.

Â§ Administered Price Mechanism (APM) for petroleum products has been dismantled. The pricing of petroleum products is now market determined.

Â§ The draft Electricity Bill has been introduced in the Parliament for facilitating comprehensive power sector reforms